

MAR 2 1994

February 25, 1994

D. Wayne Hedberg
Department of Natural Resources
Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Escalante Tailings Impoundment Reclamation Plan, final agreement

Dear Mr. Hedberg:

In response to your February 17, 1994 letter, Hecla accepts the requirement for monthly discharge measurements of the tailings pond underflow. We will keep records on the rate of flow for two years so we can determine if there are any trends. After the two year monitoring period we can make a final decision on capping the underdrain. You also requested any underdrain discharge records we have. I will forward all the underdrain information that we have as soon as I can get it together.

We plan to start earthwork as soon as the contractor is available, which should be the second week of March. I will keep you posted of the start date as soon as it is firmed up.

I appreciate your help in getting the reclamation plan finalized and look forward to getting the job done.

Sincerely yours,

Alan Wilson

Senior Reclamation Engineer

cc: G. Wilhelm